

UNITED STATES GOVERNMENT

Memorandum

Ms. Falbo

~~2630030~~
2630030-③

DATE: May 25, 1979

PD.AAC-274
2 p.

SAA

TO : See Distribution
Thru : NE/PD, Selig A. Taubenblatt
FROM : Project Review Committee

SUBJECT: Egypt, 600 MW Shoubrah Power Project - Issues Paper for NEAC

In our May 21 memo which transmitted the Project Paper for your review, we promised to distribute the Issues Paper upon receipt of USAID/Cairo comments. These have not been received and are expected momentarily. However, we do not expect any new issues to be raised other than identified by the Project Review Committee in its May 11th meeting.

The two issues identified by the PRC were:

(a) Implementation Plan - A.I.D., because of its large contribution to the project, insisted on associating itself with one of the two major equipment packages (i.e. boiler island, or turbine generator island) in addition to financing the project A/E services contract. The project implementation plan as originally drafted did not include a provision which would assure that A.I.D. funds would be utilized to fund these more visible elements. Subsequent to the PRC meeting the lending group and EEA, have agreed to procurement procedures which would result in A.I.D. financing one of the major equipment packages.

(b) Environmental - The primary concern here dealt with the increased sulfur dioxide concentration in the air as a result of the project. Thus, the World Bank, EIB and A.I.D. have proposed, and the Egyptian Electricity Authority (EEA) has agreed, that the project consultant, as its first work under its contract, will prepare a preliminary design which incorporates adequate pollution control to assure the plant will meet IBRD project analysis standards for maximum levels of sulfur dioxide (1000 mg/M³), and that final environmental clearance will require AID/W's and USAID's approval of the preliminary design. A condition precedent to disbursement to other than engineering services has been included in the grant authorization to assure that environmental standards are satisfied.



21

DISTRIBUTION

AA/NE, J. Wheeler, 6724 NS
DAA/NE, A. White, 6724 NS
AA/NE, E. Vinson, 6732 NS
NE/DP, B. Langmaid, 6723C NS (4 copies)
NE/PD, S. Taubenblatt, 4720 NS
NE/PD, T. Sterner, 4716 NS
NE/TECH, W. Gelabert, 4443 NS
NE/TECH, K. MacManus, 4443 NS
NE/TECH, P. Benedict, 4725 NS
NE/PD, L. Rosenberg, 4712 NS
Ne/PD, S. Lintner, 4709 NS
PPC/PDPR, B. Sidman, 3938 NS
PPC/PB, J. Segal, 3731 NS
PPC/WID, A. Fraser, 3245 NS
GC/NE, J. Mullen, 2638 NS
CM/RCD/NE, F. Moulton, 729, SA-14
SER/COM/NE, R. Looper, 811D, SA-18
DS/DIU/DI, E. Falbo, 1656 NS (4 copies)
NE/PD, G. Shivers, 4709 NS (2 copies)
NE/PD, M. Kingery, 4712 NS
NE/EI/E, G. Kamens, 5318 NS
NE/EI/E, J. Sperling, 5318 NS